

REMARKS

Claims 1 - 9 are currently pending in the application. Accordingly, claims 1 - 9 are presented for reconsideration and further examination in view of the following remarks.

In the outstanding Office Action, claims 1 - 9 were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 6,570,080 to Hasegawa et al. in view of U.S. Patent No. 6,442,285 to Rhoads et al. in further view of U.S. Patent No. 6,889,208 to Okabe et al.

By this Response no claims have been amended. The prior art rejection is traversed. Arguments in support thereof are provided.

Rejection under 35 U.S.C. § 103(a)

The Examiner rejected claims 1 - 9 as being unpatentable over Hasegawa et al. in view of Rhoads et al. and further in view of Okada et al.

In response, Applicant respectfully traverses the rejection.

To establish a *prima facie* case of obviousness, the Examiner must establish: (1) that some suggestion or motivation to modify the references exists; (2) a reasonable expectation of success; and (3) that the prior art references teach or suggest all the claim limitations. Amgen, Inc. v. Chugai Pharm. Co., 18 USPQ2d 1016, 1023 (Fed. Cir. 1991); In re Fine, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988); In re Wilson, 165 USPQ 494, 496 (C.C.P.A. 1970).

It is respectfully submitted that the combination of references fails to teach or suggest all the claim limitations as set forth in the independent claims.

The conventional contents distribution system, such as the one shown in FIG.1 of the instant application, is designed only to distribute the contents Cz stored in the contents server 1 of the contents provider 10, but not designed to take into consideration the storage of the contents at user side and the later distribution of the contents to the portable terminal player 20'. See page 6, paragraph beginning on line 17.

In the present invention, when the subscriber returns the playback right M of the contents Cz distributed to the subscriber back to the contents provider 30, the portable terminal player 20 erases an encryption key for playing back the contents Cz and a file name recorded on the recording medium 11 of the portable terminal player 20 and, at the same time, returns the playback right M to the area in which the right information 4 is recorded in the user information database 5. In this way, the contents provider 30 manages the distribution of the contents Cz to the subscriber based on the number of downloads and the transfer of the playback right M. See for example, page 13, paragraph beginning on line 26.

As previously described, the feature of independent claim 1 of the present invention resides particularly in that i) ...the contents provider manages a number of downloads of the contents to the subscriber...; ii) ...the subscriber returns the playback right of the distributed contents back to said contents provider...; and iii) ...the portable terminal player erases a key for playing back the contents and a file name thereof...at the same time..., as clearly recited in the wherein-clause of independent claim 1.

As previously described, the feature of independent claim 2 of the present invention resides particularly in that i) ...the contents provider manages a number of check-outs of the contents to the

subscriber...; ii) ...the subscriber checks in the distributed contents; and iii) ...the portable terminal player erases a key for playing back the contents and a file name thereof...at the same time, returns the playback right to the area..., as clearly recited in the wherein-clause of independent claim 2.

As previously described, the feature of independent claim 3 of the present invention resides particularly in that i) ...the subscriber migrates ripped contents to the contents server...; and ii) contents provider manages a distribution of the migrated contents to the subscriber..., as clearly recited in the wherein-clause of independent claim 3.

The feature of independent claim 4 of the present invention resides particularly in that i) ...the contents distributor manages contents distribution from said distribution contents...; ii) ...the subscriber checks in the distributed contents to said contents distributor...; and iii) ...the portable terminal player erases a key for playing back the contents and a file name and, at the same time, returns the playback right to the area..., as clearly recited in the wherein-clause of independent claim 4.

The feature of independent claim 6 of the present invention resides particularly in that i) ...the subscriber directly transmits the contents to the user contents server...or migrates the contents that have been recorded...; and ii) ...the general server manages contents distribution from said user contents server..., as clearly recited in the wherein-clause of independent claim 6.

The feature of independent claim 7 of the present invention resides particularly in that i) ...the playback right for playing back the contents recorded...is returned...; and ii) a key for playing back the contents and a file recorded on the recording medium are erased, as clearly recited in the wherein-clause of independent claim 7.

The feature of independent claim 8 of the present invention resides particularly in that i) ...the distribution is managed according to a number of times the contents are distributed...; and ii) ...a registration of a playback right returned from said portable terminal player to said user information database..., as clearly recited in the wherein-clause of independent claim 8.

The feature of independent claim 9 of the present invention resides particularly in that i) a distribution of the contents to a portable terminal player of the subscriber...; ii) a saving of user's migrated contents to said contents server as well as a distribution of the user's migrated contents back to said portable terminal player..., as clearly recited in the wherein-clause of independent claim 9.

Hasegawa et al. discloses a method and system for supplying contents via a communication network. However, as previously discussed, Hasegawa et al. fails to disclose all of the features of the independent claims.

For example, on page 5 of the Office Action, the Examiner states that Hasegawa et al. fails to disclose "that the terminal is owned by the subscriber." The Examiner cites Rhoads et al. in an attempt to cure the deficiencies of Hasegawa et al.

Rhoads et al. teaches a controlling operation of a device using a re-configurable watermark detector. The Examiner stated that Rhoads et al. teaches the features regarding the terminal being owned by the subscriber and erasing a key in Figure 1.

Applicant requested the Examiner to indicate in greater detail portions of the cited references where the features, particularly in the wherein clauses of the independent claims are taught or suggested. In response, the Examiner stated on pages 5, 7, 9, 11, and 15 of the Office

Action that “[n]either Hasegawa nor Rhoads expressly discloses a terminal, which erases a key for playing back the contents.” Also, the Examiner stated on page 16 of the Office Action that “[n]either Hasegawa nor Rhoads expressly discloses distribution management.” The Examiner now cites Okabe et al. in an attempt to cure the deficiencies of the other two references and asserts that the claims of the present invention are obvious based on the combination of references.

Okabe et al. teaches a contents sale system. The Examiner asserts that column 8, lines 28-45, which discusses “playback key data” and column 10, lines 30-50, which discusses “deletion of contents” teach the missing features of the independent claims. However, Applicant respectfully submits that “erasing (or deleting) a key (an encryption key for playing back the contents) and a file name” as recited in independent claims 1, 2, 4, and 7 is not taught or suggested by Okabe et al.

Figures 4-6 in Okabe et al. show a communication between a kiosk terminal apparatus and a consumer’s player. As clearly seen from Figure 5, transmission of contents data is carried out separately from transmission of the playback key data. Figure 6 show deletion of contents data. As understood from these sequential processes, indeed the deletion of contents data (i.e., uncompressed data representative of at least one tune, see column 6, lines 56-60) is carried out, but deletion of the playback key data is not carried out anywhere in Okabe et al. Additionally, Applicant submits that the deletion of contents data does not cause the deletion of the playback key data.

In addition, Okabe et al. fails to teach or suggest anywhere in the reference erasing (or deleting) a file name. Applicant submits that the deletion of contents data does not cause the deletion of a file name.

Accordingly, Applicant submits that Okabe et al. fails to cure the deficiencies of Hasegawa et al. and Rhoades et al. as pointed out by Applicant and acknowledged by the Examiner regarding independent claims 1, 2, 4, and 7.

Further, regarding independent claims 3, 6, 8, and 9, introducing the copyright protection scheme, based on the SDMI check-in/check-out rule, into the contents distribution system for the portable terminal player 20 eliminates the need for the user to have his or her own PC. See page 16 of the specification of this application, paragraph beginning on line 27. Further, the playback-right return function makes it possible for distributor to manage the distribution according to the SDMI check-in/check-out rule. See page 28, paragraph beginning on line 6.

Indeed the acronym SDMI appears in Rhoads et al., but the reference does not teach or suggest all of the features recited in claims 2, 3, 5, 6, 8, and 9. Therefore, Rhoads et al. fails to cure the deficiencies of Hasegawa et al.

Even *assuming arguendo* that Okabe et al. teaches or suggests distribution management, it fails to do so according to an SDMI check-in/check-out rule as recited in claims 2, 3, 5, 6, 8, and 9. Since it appears that Okabe et al. was not even used to reject claims 6 and 9, Applicant respectfully request the Examiner to a) discuss how Okabe et al. is being applied to reject claims 6 and 9; b) address the remarks in the previous response regarding these claims; and c) address the remarks discussed above.

Further, Applicant submits that the Examiner's conclusion of obviousness is based on improper hindsight reasoning because it includes knowledge gleaned only from Applicant's disclosure, as all of the references, in particular the newly cited reference Okabe et al. lack the features regarding erasure of a key and a file name and distribution management according to an SDMI check-in/check-out rule as recited in the independent claims. *In re McLaughlin* 443 F.2d 1392, 1395, 170 USPQ 209, 212 (CCPA 1971).

As Applicant has discussed the deficiencies in each of the references, it is respectfully submitted that the claims define over each reference alone and their combination.

Accordingly, the cited references fail to teach or suggest all of the claim limitations of the present invention as recited in claims 1 - 9 alone or in combination. It is therefore respectfully requested that the rejection of claims 1 - 9 under 35 USC § 103(a) be withdrawn.

MISCELLANEOUS

A telephone message was left with the Examiner on August 16, 2005 to request a discussion of the differences between the claims and the newly cited reference Okabe et al.

CONCLUSION

In light of the foregoing, Applicant submits that the application is now in condition for allowance. If the Examiner believes the application is not in condition for allowance, Applicant respectfully requests that the Examiner contact the undersigned attorney if it is believed that such

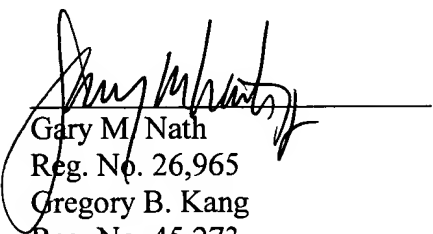
contact will expedite the prosecution of the application. Favorable action with an early allowance of the claims is earnestly solicited.

Respectfully submitted,

NATH & ASSOCIATES PLLC

August 19, 2005

NATH & ASSOCIATES PLLC
1030 15th Street, N.W.
6th Floor
Washington, D.C. 20005
Tel: (202) 775-8383
Fax: (202) 775-8396



Gary M. Nath
Reg. No. 26,965
Gregory B. Kang
Reg. No. 45,273
Teresa M. Arroyo
Reg. No. 50,015
Customer No. 20529